

EXPORT-IMPORT BANK OF WASHINGTON

Washington 25, D. C.

December 6, 1957

Admiral Walter S. DeLany
Deputy Director, I.C.A.
Mutual Defense Assistance Control
1406 G Street, N. W.
Washington 25, D. C.

Dear Admiral DeLany:

The Export-Import Bank has requests pending from two United States exporters to participate with them in financing sales to purchasers in Finland.

The first request has been made by the Baldwin-Lima-Hamilton Corporation, Lima, Ohio, for the establishment of a credit of approximately \$187,000, to assist in financing the sale of two power shovels to Vesi-Pekka CY, Kaivokati 10, Helsinki, Finland, with the guaranty of A/B Nordiska, Foreningsbanken, Helsinki. The applicant has stated that the two shovels would be used in connection with the construction of hydro power plants and in the cleaning of waterways. Both the purchaser and the proposed guarantor are represented to be privately owned. Communications with the American Embassy in Helsinki in regard to this proposed transaction are covered by Department of State Despatch No. 194, dated September 5, 1957, and Despatch No. 190 of the American Embassy, Helsinki, of September 10, 1957.

The second request for financial assistance of the Export-Import Bank has been made by the Farrel-Birmingham Company, Incorporated, Ansonia, Connecticut. The request is for the establishment of a credit of approximately \$75,000 to finance 60% of the contract price of a roll grinder to Tammerfors Linneoch Jern-Manufaktur Aktie-Bolag, Tammerfors, Finland, also with the possibility of a guaranty of A/B Nordiska Foreningsbanken, Helsinki, Finland, being offered. In connection with this transaction we refer you to Department of State Despatch No. 337 dated October 28, 1957, and Despatch of the American Embassy in Helsinki No. 325, dated October 31, 1957.

Before proceeding with consideration of the aforementioned requests, the Bank should appreciate receiving from you advice as to whether or not the assistance of this Bank in financing the proposed sales would be barred because of the provisions of the Mutual Defense Assistance Control Act of 1951.

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We are enclosing a copy of the Bank's letter of November 19, 1957, addressed to Mr. Elmer B. Staats, Executive Officer, Operations Coordinating Board, raising the same general question and also the question as to the application of the Battle Act to possible financial assistance by the Bank under the so-called "Cooley Amendment". We understand that your office will be consulted in regard to this matter.

Yours very truly,

/s/ Walter C. Sauer
Executive Vice President